

Building Blocks for Effective Housing Elements

Housing Programs: Conserve and Improve the Existing Housing Stock

Conserve and improve the condition of the existing affordable housing stock, which may include addressing ways to mitigate the loss of dwelling units demolished by public or private action (Government Code Section 65583.(c)(4)).

I. REQUIRED COMPONENTS OF PROGRAM ACTIONS

Effective programs reflect the results of the local housing need analyses, identification of available resources including land and financing, and the mitigation of identified governmental and nongovernmental constraints. Programs are the specific action steps the locality will take to implement its policies and achieve goals and objectives. Programs must include a specific time frame for implementation, identify the agencies or officials responsible for implementation and describe the jurisdiction's specific role in implementation.

Sample Program Format

Description of Specific Actions Steps, Jurisdiction's Specific Role in Implementation and Demonstration of Commitment to Implement

Timeframe:

Responsible Agency:

Objectives (Quantified, where possible):

Funding Sources (Where appropriate):

II. PROGRAM REQUIREMENTS

The existing affordable housing stock is a valuable resource and the element must include programs to conserve and improve the existing affordable housing stock. Improvement includes physical activities that improve the housing stock such as rehabilitation. Conservation includes both maintenance activity such as code enforcement in deteriorating buildings or in response to complaints and improvements to the housing stock such as weatherization programs which help reduce housing costs or other actions, policies or programs to conserve the affordability of housing such as a mobilehome park preservation ordinance.

III. POLICY AND PROGRAM OPTIONS

Policies and program should be tailored to the results of the analyses and specific local situations. The following strategies are not exhaustive:

Improvement

- Coordinate Code Enforcement – Code enforcement programs should be coordinated with utility, housing code inspection and rehabilitation programs to effectively utilize funding resources, efficiently ensure safe homes and avoid displacement.
 - Rehabilitation Programs – Programs to regularly seek funding or continue funding existing repair and rehabilitation programs for ownership, rental and mobilehome parks. Funding resources include Community Development Block Grant, HOME, etc. and local redevelopment funds (see *VI. Links*).
 - Maintain Single-Room Occupancy Units (SROs) - Rehabilitate residential hotels for very low- and low-income households including the homeless and those at-risk of homelessness.
 - Rehabilitation Fee Amnesty Program - Provide interim fee relief for rehabilitation in targeted neighborhoods.
 - Targeted Rehabilitation Programs – Survey and designate neighborhoods and design a rehabilitation program to comprehensively address housing conditions.
- Enforcement of Building Code Programs - The Franchise Tax Board (FTB) operates the Substandard Housing Program which assists the State and local agencies responsible for abating unsafe living conditions that violate Health and Safety Codes. Property owners in violation of Health and Safety Code standards are not allowed to make certain deductions on their personal tax returns pursuant to California Revenue & Taxation Code (CR&TC) Sections 17274 and 24436.5. That additional revenue collected by FTB is transferred to the Local Code Enforcement Rehabilitation fund. These funds are allocated and disbursed to the cities and counties that generated the notification of substandard housing to the FTB. (see *VI. Links* - Franchise Tax Board).
- Neighborhood Revitalization - Designate lower-income neighborhoods for concentrated housing rehabilitation assistance through subsidized grants and/or deferred low interest loans, public facility/infrastructure improvements through general fund capital improvement plans, special assessments districts, Mello-Roos community facilities districts, etc.
 - Develop Tool Lending Programs – to facilitate ongoing rehabilitation and maintenance. “Tools” can include actual tools and supplies, as well as instructions for simple upgrades or repairs (such as changing faucets or washers, heater screens, etc.).

Conservation

- Zoning - Provide stable zoning to preserve affordable housing. For example, change the underlying zoning for a mobilehome park from commercial to mobilehome park.
- Presale Code Inspections - Enact occupancy ordinances requiring presale code inspections and compliance before title to a property is transferred to new owners.
- Long Term Affordability - Maintain long-term affordability restrictions on assisted rental units.
- Homeownership Education and Counseling – Establish pre- and post-purchase homeownership education and counseling to assist households in owning and maintaining their homes. Programs can include referral centers, promoting toll-free hotlines and outreach on the availability of resources.
- Educate and Enforce the Building Code to Facilitate Rehabilitation – Bringing older homes into compliance with current building codes can be costly, is not required and can deter rehabilitation. The building code requires local government flexibility to facilitate rehabilitation while maintaining health and safety standards (Health and Safety Code 17958.8). To encourage rehabilitation, communities should conduct education programs for public officials, contractors and property owners to ensure public knowledge of flexibility in building codes for rehabilitation (i.e., minor or moderate).
- Replacement Requirements - Require one-to-one replacement of any housing units demolished due to public or private action.
- Demolition Ordinances - Enact ordinances governing demolition of housing units and conversions of housing units to other uses (e.g., office or commercial).
- Adopt Housing Element and Code Enforcement Policy – To ensure and promote compliance with Health and Safety Code Section 17980(b)(3) enforcement agencies must consider needs expressed in the housing element when deciding whether to require vacation or repair of property.
- Condition Surveys - Conduct annual housing condition surveys to determine the extent of rehabilitation need and to prioritize rehabilitation program actions.
- Neighborhood Improvement – Establish and utilize CDBG or RDA funds for a self-help paint-up/fix-up neighborhood improvement program.
- Neighborhood Clean Ups – Annually promote neighborhood clean-up weeks or activities.

IV. MODEL PROGRAMS

Sample Rehabilitation Programs

Housing Rehabilitation

The Housing Rehabilitation Program provides loans, and rebates to income-qualified households to correct Health and Safety Code violations and make essential repairs. The maximum loan limit is \$50,000 with a minimum equity requirement of 10 percent. The Housing Rehabilitation Program is available to lower-income households (<80 percent AMI) and has the following components:

- 0% Interest Deferred Payment Loans for Basic Home Repairs: Principal-only loans secured by deeds of trust with no interest charged and no payments for at least five years. The minimum loan amount is \$1,000 and after five years the borrower's eligibility is re-evaluated to determine if a repayment plan should be established. A loan becomes due in full when there is a change in ownership (i.e. death, sale, etc.).
- Non-Repayable Lead-Based Paint Remediation Grants: Grants offered to pay the costs of lead-based paint identification and removal. The amount cannot exceed the costs of the approved non-lead related housing rehabilitation, work. The grant does not require repayment by the recipient.

Accessory Structure Program - In addition, the City will explore the potential to implement a loan program for accessory dwelling units. This program will allow eligible homeowners to obtain a loan from the City to construct a small second-unit on their property, under the City's existing accessory dwelling unit provisions.

Responsible Agency: Community Development Department

Financing: CDBG and HOME funds

Five-Year Objectives: Provide 20 rehabilitation loans or grants annually.

Explore potential for accessory dwelling loan program by the end of FY 2008-2009. Evaluate program through the Housing Element Annual Report process.

Single-Family Housing Acquisition and Rehabilitation

This program utilizes HOME funds to enable lower-income households (up to 80 percent of AMI) households to purchase their first homes. The City will select a non-profit by January 2008 to acquire and rehabilitate deteriorated single-family homes. Assistance will be provided in the form of a loan secured by a deed of trust. The rehabilitated homes will then be sold to income-qualified first-time homebuyers. A potential source of housing for this program will be CalTrans excess right-of-way programs. The Housing Department will initiate discussions with CalTrans on how to access and purchase excess units.

Responsible Agency Community Development Department

Financing: HOME funds

Five-Year Objectives:

- 100 units over the planning period.
- Acquire and rehabilitate five single-family homes within the five-year period through CalTrans.
- Continue to evaluate potential program options and the suitability of this program in a higher cost market like the City is currently experiencing.
- Provide ongoing assistance and evaluate program through the Housing Element Annual Report process.

Timeframe: Ongoing loans and initiate discussion with CalTrans by December 2008

Multifamily Housing Acquisition and Rehabilitation

The Comprehensive Neighborhood Revitalization Strategy includes acquisition and rehabilitation of deteriorated multifamily housing developments, with the goal of generating privately initiated improvements in some of the other complexes in the neighborhood. Under this program, the City will develop a list of nonprofit developers and send out a meeting notice to interested non-profit developers to discuss the City's objectives and resources. The City will then select a nonprofit developer to purchase a deteriorated multifamily, rental property. The property would then be rehabilitated, with the options to combine some of the smaller units into larger family units. Relocation assistance will be provided to existing tenants who have to be either temporarily or permanently relocated.

Responsible Agency: Community Development Department

Financing: Redevelopment Funds

Five-Year Objectives:

- Support the rehabilitation and revitalization of at least two properties or 100 units in the planning period.
- Provide ongoing assistance and evaluate program through the Housing Element Annual Report Process.

Financing: Redevelopment Funds

Timeframe:

- Develop list of nonprofit developers by December 2008 and select a developer by June 2008.

Sample Code Enforcement Program

Develop and maintain a multidisciplinary code enforcement program to ensure building safety of residential neighborhoods through enforcement of building codes on a compliance and building permit issuance basis. Establish a coordination task force including housing, building, housing finance agency, planning, utilities, police, fire, waste management and other public safety agencies to do cross-referrals and joint neighborhood projects. Create a brochure to provide information about rehabilitation loans and housing assistance programs for use by property owners who are cited and tenants in need.

Timeframe: Establish task force by June 2009. Create brochure by December 2008 and provide information as part of ongoing code enforcement activities

Responsible Agency: Building and Housing Departments

Objectives: Promote maintenance of existing housing stock and protection of existing tenants and lower-income households

Funding Sources: CDBG Funds

Sample Mobilehome Park Preservation Program

The City of X will continue to implement the Residential Mobilehome Park zoning ordinance that sets conditions on changes of use or conversions of mobilehome parks. The City will also assist lower-income residents to research the financial feasibility of purchasing their mobilehome parks to maintain the rents at affordable levels. Where appropriate, assist the park residents or nonprofit to purchase the park to maintain affordability.

Funding: Housing Trust Fund, Mobilehome Park Resident Ownership Program

Lead Agency: Planning Department, Housing and Redevelopment Department

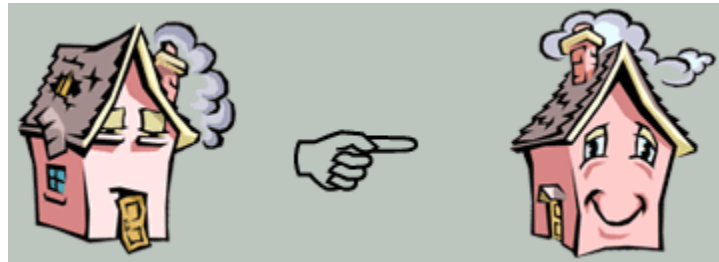
Objectives and Time Frame:

- Continue to regulate the conversion of mobilehome parks.
- Inventory mobile home parks and provide information to mobilehome park residents regarding potential resident purchase of parks and assistance available by June 2009.
- Evaluate and determine feasibility of assisting park residents in purchasing a mobilehome park by December 2009.
- Apply for Mobilehome Park Resident Ownership Program (MPROP) funds by June 2010.

V. PROGRAM IMPLEMENTATION SAMPLE

Sample Rehabilitation Program (South Lake Tahoe)

Housing Rehabilitation Program



What is the Housing Rehabilitation Program?

The City of South Lake Tahoe's Housing Division offers low interest rate loans for the rehabilitation of homes located within the City limits. These loans are available to homeowners whose household income level is at [80% of the area's median income level](#) or below. Rehabilitation loans are also available to owners of single or multi-unit rental properties located within the City that benefit individuals and families from the same [targeted income group](#).



What types of improvements can I make under the program?

Rehabilitation needs will be addressed in the following priority:

- A. **Health and Safety:** Examples include correcting plumbing, electrical, structural, mechanical and roof deficiencies, modifications for handicap accessibility, room additions to resolve overcrowding and any other HQS items. All units shall have working smoke detectors and carbon monoxide detectors. (Overcrowded conditions will be considered to exist when parents and children must share a bedroom, when children of the opposite sex must share a bedroom, and when a disabled person is required to share a room. A bathroom addition may be considered when five or more persons occupy a unit with a single bathroom.)

- B. **Energy Conservation:** Examples include insulation, reducing air infiltration through window and door replacement, weather-stripping and caulking, and replacing inefficient water heaters, refrigerators, clothes dryers, ovens, furnaces, and air conditioning appliances. Also the replacement of wood stoves not in compliance with the Tahoe Regional Planning Agency guidelines.
- C. **Extension of Useful Life:** Examples include repairing siding and sheet-rock, painting, new flooring, new cabinets, new interior doors, gutters, and foundation upgrades and repairs.
- D. **Converting to Current UBC and Other Standards:** All work that may bring the property into compliance with City of South Lake Tahoe Municipal Code or other code requirements is also eligible. Examples include moving bathroom access to hallways or off of kitchen, stairs and porch upgrades. Also, paving driveways and other site work, including necessary landscaping, to meet existing Best Management Practices (BMP's) of the Tahoe Regional Planning Agency (TRPA). (For landscaping to be allowed, it must be required by TRPA and not exceed \$3,000.)
- E. **General Property Improvements:** Only general property improvements that enhance the overall exterior appearance of the property will be allowed under this program. Examples include demolition of any unsightly structures, removal of debris, and repairing or replacing of fencing, carports and garages. A new garage or carport may be constructed if the property does not contain any sheltered parking. The conversion of a carport to a garage is also eligible. However, not more than fifteen percent (15%) of the rehabilitation loan may be used for general property improvements.



How Much Can I Borrow?

The maximum loan amounts vary depending on the funding source. Currently the maximum CDBG loan amount for rehabilitation is \$100,000 for properties containing one single family dwelling unit. For properties containing two or three dwelling units, the maximum CDBG loan amount is \$75,000 per dwelling unit. For properties containing four or more dwelling units, the maximum CDBG loan amount is \$45,000 per dwelling unit. Only owner-occupied single family dwellings are qualified for CalHome loans and the maximum loan amount is \$100,000.

The loan amount may include: the construction contract (the accepted bid price for the cost of materials and labor); a construction contingency; drafting, engineering and plan preparation fees, if any; appraisal and termite inspection

charges; credit report; permit fees; escrow, closing and recording fees; and title report and title insurance, title updates and/or related costs.

The actual amount of your loan will depend on the rehabilitation requirements and the amount of equity in the property to support the loan.

What are the Loan Rates and Terms?

The loan rates and terms vary depending on the funding source and owner status. Currently, loan interest rates range from zero to three percent (0%-3%) and terms range from fifteen to thirty (15-30) years. Deferred payment loans may be available to some qualified applicants others will receive amortized loans.

Can I Borrow Extra Money Through this Program to Use for Other Needs?

The Housing Rehabilitation Program loan funds can only be used for the specific types of property improvements outlined in the program guidelines. The City makes all payments directly to the contractors per the terms of the individual contracts. The loan funds can not be used for any other purpose.

Who Will be Doing the Work on My Home?

All contractors that do work under the Housing Rehabilitation Program are required to be licensed by the Contractors State License Board with a Home Improvement Certification and have a current City business License. In addition, contractors must maintain certain specified levels of liability insurance and they must carry Workers Compensation Insurance on any employees.

The Housing Division maintains a list of contractors that have applied to work under the program and who have submitted the necessary documentation proving that they meet the program requirements. Invitations to submit proposals will be sent to the appropriate types of contractors from this list as well as to any other qualified contractors that the loan applicant may request.

The program guidelines require that applicants make every reasonable effort to obtain at least three (3) proposals from different contractors. The final choice as to whom to use among the qualified contractors submitting proposals is entirely up to you, the applicant.

How do I Get Started with the Application Process?

Contact the City of South Lake Tahoe Housing Division at **(530) 542-6047** to determine your eligibility to participate and to pick up an application. Application forms for owner-occupied single family dwellings are also available here (in PDF format) to be printed and submitted manually.

LINKS

[Housing Division](#)

[Housing Rehabilitation Program](#)

[First-Time Homebuyer Program](#)

[Affordable Housing Resources](#)

[Redevelopment](#)

[City Council and South Tahoe](#)

[Redevelopment Agency Protocols](#)

[Phone Directory](#)

Sample Code Compliance Investigation Form (City of Davis modified)

Request for Code Investigation Form

Incident Address:

Compliant:

Name:

Address:

Email:

Phone Number

VI. LINKS

General

[CA HCD, Codes and Standards Division](#)

[HCD Model Universal Design Local Ordinance \(AB 2787\)](#)

[HCD New Home Universal Design Checklist \(AB 1400\)](#)

[CA Dept of Community Services and Development - Low Income Home Energy Assistance Program](#)

[CA Dept of Community Services and Development Weatherization Assistance](#)

[CA Dept of Community Services and Development - Community Services Block Grants](#)

[California Franchise Tax Board Substandard Housing Program](#)

[California Building Standards Commission](#)

[HUD Home Improvement](#)

[Policy Link's Code Enforcement website](#)

[PolicyLink's Equitable Development Toolkit](#)

[Brookings Institute on Gentrification](#)

[US Dept of Energy Efficiency and Renewable Energy](#)

[California Housing Law Project: Tenant Rights](#)

Program Links

[City of Davis Code Compliance Program, including sample forms](#)

[City of Davis Resale Inspection Program Brochure](#)

[City of Carlsbad Residential Mobile Home Park Zone](#)

[City of Ukiah Code Compliance Program](#)

[City of Anaheim Home Improvement Holiday Program Article](#)

[City of Emeryville Housing Rehabilitation Program](#)

[City of South Lake Tahoe Rehabilitation Program](#)

[City of Riverside Rehabilitation Program](#)

[Yuba City Housing Rehabilitation Program](#)

[City of Pico Rivera Housing Rehabilitation Program](#)

[City of Santa Clara Housing Rehabilitation Program](#)

[City of Concord Multifamily Rehabilitation Program](#)